Introduction of Electronic Clearance System in Banks

1656. SHRI RAMENDRA KUMAR YADAV "RAVI" : Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has directed to all the banks to introduce electronic clearance settlement and depository facility;

(b) if so, what are the reasons therefor; and

(c) what is the extent to which the new Electronic Clearance Settlement and Depository system is likely to provide efficiency in the working of the banks ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) to (c) Reserve Bank of India in their circular dated 17-11-1992 addressed to all scheduled commercial banks and All India financial institutions have indicated, inter-alia, the need to establish an Electronic Clearance Settlement and Depository System (ECSD). The circular was issued following the submission of the Nadkarni Committee Report whose major recommendations were discussed by RBI with the Chief Executives of major commercial banks, All India financial institutions, the Securities and Exchange Board of India and Ministry of Finance. The proposed new system is meant to eliminate deficiencies in the existing procedures for transactions in PSU Bonds and Units and proalternative system for booking of transactions and their accounting and transfer.

Disinvestment of equity of nationalised banks

1657. SHRI ASHIS SEN :

SHRI MOHAMMED AMIN :

Will the Minister of FINANCE be pleased to state :

(a) whether Government have decided to ask nationalised banks to disinvest a part of their equity; and

(b) if so, what are the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) and (b) While presenting the Union Budget for 1993-94, the Finance Minister has stated that Government have decided that State Bank of India as well as other nationalised banks which are in a position to do so will be allowed to access the capital markets to raise fresh equity to meet their shortfall in capital requirements over the next three years. Finance Minister has also stated that Government will continue to retain majority ownership and, therefore, effective control in the public sector banks.

Government Loans to big Business Houses

1658. SHRI KAMAL MORARKA : Will the Minister of FINANCE be pleased to state :

(a) what are the names of big business houses which have not yet paid their dues towards different Government authorities but have been sanctioned loans by different financial institutions so far in the current financial year;

(b) whether these financial institutions have appointed their nominees on the Boards of these business houses; and

(c) if so, what are the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) to (c) The information is being collected and will be laid on the Table of the House to the extent available and permissible under the rules.

Opening of Insurance Business to Private Sector

1659. SHRI KAMAL MORARKA : Will the Minister of FINANCE be pleased to state :

(a) whether Government's attention has been drawn to the observations made in the discussion organised by the Rajiv Gandhi Institute for Contemporary Studies stating that the insurance business should be thrown open to competition from private sector;

(b) if so, what is Government's reaction thereon;

(c) whether Government propose to consider the regulation of insurance business and allowing private sector; and

(d) if so, by when a decision would be taken in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) to (d) Yes, Sir. It has been decided to appoint a High Powered Committee to recommend reforms in the insurance industry aimed at introducing a more competitive environment subject to suitable regulation and supervision, and submit its report within six months.

Imposition of cess on bidi manufacturers

1660. SHRIMATI VEENA VERMA :
SHRI SUSHIL KUMAR SAMBHAJIRAO SHINDE :
SHRI MURLIDHAR CHANDRAKANT BHANDARE :

Will the Minister of FINANCE be pleased to state :

(a) whether there is a proposal to impose a cess on bidi manufacturers;

(b) if so, what are the details thereof, indicating the grounds for imposition of such a cess; and

(c) whether Government have received any representation against the imposition of such a cess ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) Cess is already being collected on manufactured biris from the year 1977 under the Beedi Workers Welfare Cess Act, 1976.

(b) and (c) Does not arise.

IMF's extended fund facility

1661. PROF. SAURIN BHATTACHARYA :

Will the Minister of FINANCE be pleased to state :

(a) whether the I.M.F.'s extended fund facility of 5 to 7 billion dollars is meant to help India overcome adverse balance of payment position;

(b) whether this pressure from Fund-Bank is aimed to at placing India's consumer goods market to foreign producers; and

(c) whether the extended fund facility would really redress adverse balance of trade ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) Yes, Sir.

(b) There is no pressure from the IMF or the World Bank to access any of the facilities available in these organisations.

(c) The extended fund facility provides resources to help finance current account deficits. Redressing the trade balance is an objective to be achieved by the government's policy initiatives in this area.

Information regarding private companies

1662. CHAUDHARY HARMOHAN SINGH :

Will the Minister of FINANCE be pleased to refer to the answer to unstarred question 67 given in the Rajya Sabha on the 23rd February, 1993 and state :

(a) whether it is a fact that his Ministry collects information on quarterly basis regarding private companies securing loan amounting to rupees one crore or above; and

(b) if so, what is the position in this regard upto December, 1992 ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) and (b) The information is being collected and will be laid on the Table of the House to the extent available and permissible under the rules.